

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF BELFRY)	CASE NO. 93-111-B
GAS, INC.)	

O R D E R

On October 11, 1993, the Commission issued its Order in Case No. 93-111 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On November 5, 1993, Belfry Gas, Inc. ("Belfry") notified the Commission that its wholesale cost of gas was decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective October 1, 1993, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Belfry's notice of November 5, 1993 set out certain revisions in rates which Belfry proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier. Belfry used the maximum allowable line loss of 5 percent to calculate its decrease as opposed to its actual line loss of 1.09 percent. Belfry's decrease in rates should be 2.22

cents per Mcf instead of the 2.31 cents per Mcf decrease proposed by Belfry.

2. Transmission filed an application with the Federal Energy Regulatory Commission for decreased rates with an effective date of October 1, 1993. The effective date for the decrease should be on and after October 1, 1993. Transmission's rates are subject to refund; hence, Belfry's rates should be subject to refund.

3. The Commission's Order dated October 11, 1993 in Case No. 93-111¹ approved a change in Belfry's base rates. Therefore, the Appendix to this Order should reflect rates to be charged from October 1, 1993 through October 10, 1993, and rates to be charged beginning October 11, 1993.

4. Belfry should file with this Commission the amount of any overcollections received from October 1, 1993 to the date the approved rates are implemented, along with a refund plan.

5. Belfry's corrected adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 93-111, dated October 11, 1993, is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after the dates specified, subject to refund.

¹ Case No. 93-111, Adjustment of Rates of Belfry Gas Company, Inc. and For Authority to Incur Additional Indebtedness.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Belfry be and they hereby are denied.

2. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after the dates specified, subject to refund.


3. Within 30 days of the date of this Order, Belfry shall file with this Commission its revised tariffs setting out the rates authorized herein.

4. Within 30 days of the date of this Order, Belfry shall file the amount of excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 1st day of December, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-111-B DATED December 1, 1993

The following rates are prescribed for the customers served by Belfry Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

FOR SERVICE RENDERED ON OCTOBER 1, 1993
THROUGH OCTOBER 10, 1993

RATES:

Monthly

First 1,000 cu. ft.	\$8.1720	Minimum Bill
Over 1,000 cu. ft.	6.3820	Per 1,000 cu. ft.

FOR SERVICE RENDERED ON AND AFTER
OCTOBER 11, 1993

Monthly

First 1,000 cu. ft.	\$8.4073	Minimum Bill
Over 1,000 cu. ft.	6.8588	Per 1,000 cu. ft.

The base rate for the future application of the purchased gas adjustment clause of Belfry Gas, Inc. shall be:

Commodity

Columbia Gas Transmission Corporation	\$3.4505 per Dth
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A surcharge in the amount of \$3.24 per month shall be applied to each customer served for a period of 5 years.